

Attention: All Providers

Medicaid Coverage Information for the Excluded Drug Classes Under Medicare Part D

Beginning January 1, 2006, Medicaid recipients with Medicare will start receiving their drugs through a Prescription Drug Plan (PDP). The PDPs will have formularies of drugs that are covered and noncovered. If a client is prescribed a noncovered drug, Medicaid will not pay for the drug. The client will have to work with their PDP to get the drug covered or switch to another drug on the PDP's formulary.

There are classes of drugs that federal regulations do not require PDP formularies to cover. These classes of drugs are referred to as excluded drugs. Medicaid currently covers a subset of these excluded drugs and will continue to cover them for all Medicaid clients after January 2006.

The following criteria will be used in determining the drugs that will be covered by Medicaid once Medicare Part D is implemented on January 1, 2006:

There will be no coverage for the following excluded drug classes:

1. Agents Used for Anorexia, Weight Loss, Weight Gain
2. Agents Used to Promote Fertility
3. Agents Used for Cosmetic Purposes or Hair Growth
4. Covered Outpatient Drugs which the Manufacturer Seeks to Require as a Condition of Sale that Associated Tests or Monitoring Services be Purchased Exclusively from the Manufacturer or its Designee

There will be coverage for the following excluded drug classes if the manufacturer has a rebate agreement with the Centers for Medicare and Medicaid Services and if the drug is a legend drug:

1. Agents Used for the Symptomatic Relief of Cough and Colds
2. Prescription Vitamins and Mineral Products, Except Prenatal Vitamins and Fluoride
3. Barbiturates
4. Benzodiazepines
5. Nonprescription drugs covered by NC Medicaid as documented in General Clinical Policy A2 on DMA's website at
<http://www.dhhs.state.nc.us/dma/mp/mpindex.htm>

All claims should be submitted to the PDP first to ensure that they are not covering these products. If denied, the claim can then be submitted to Medicaid through POS with a "03" (other coverage exists-this claim not covered) in the other coverage code field.

EDS, 1-800-688-6696 or 919-851-8888